AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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Support The MIGHTY WAR LOAN

WHOLE NO. 1784 | WILLIAM GREEN, President | WASHINGTON, D. C., TUESDAY, JUNE 19, 1945 | GEORGE MEANY, Secretary-Treasurer | VOL. 35, NO. 25

ACCENT ON JOBS

Washington, D. C.—During the reconversion period the nation's accent must be on jobs, AFL President William Green told the Advisory Board of the Office of War Mobilization. To supervise the orderly reemployment of displaced war workers and discharged war veterans, Mr. Green urged continued federal operation of a national system of public employment offices under the direction of the United States Employment Service. Highlights of his argument follows:

1—Adequate Service to Veterans. Demobilization of the men and women in the armed forces has not yet begun. Even after the defeat of Germany and of Japan more than ten million men and women will be returning to civilian life and to peacetime employments. They have not only an unquestioned right and duty to find jobs at which they can use their best skills and highest capabilities including the skills useful in peacetime which many of them have acquired through training while serving with the armed forces. To meet their needs these men and women will require understanding vocational counseling and guidance realistically related to existing work opportunities. This is especially true with respect to the vast numbers of these men who never had employment experience prior to their induction.

The Servicemen's Readjustment Act of 1944 established a Veteran's Placement Service Board to cooperate with and assist the United States Employment Service in meeting these needs. The operations of this board would be greatly impeded if the federal operation of the employment service offices were to be abandoned and administration lodged with fifty-one separate and scattered agencies.

2—Reemployment is a National Problem Requiring National Action. The United States Employment Service has had to operate on a national basis in order to meet the national problems of the past. It was brought into being to meet the manpower place next needs of the first World War in January, 1918. After the cessation of hostilities in that war, by order of the President, supported by leaders in industry, agriculture, labor and by religious and civic organizations, the federal employment service was discontinued in July 1919. The disastrous results which immediately followed that action are well known. It was apparently only after the steps taken by many city police chiefs forbidding peddlers to appear in the uniform of the Army or Navy!

Continued by the national emergency of nation-wide unemployment the United States Employment Service was revived by act of Congress June 6, 1933. During the early part of its operation under the Wagner-Peyser Act the service operated on a more or less national basis. Then, in 1939, and after it was transferred to the Social Security Board. Here its activities were largely advisory and public employment offices were under the administrative control of the various states.

The complete inadequacy of this type of operation became apparent early in the second World War and in December 1942 a national system was again established by executive order to meet the manpower problem of war production. The problems of reconversion and reemployment are national problems and require a national reemployment service as the agency.

3—The Labor Market is National in Character. The national character of the labor market has two aspects: First, many local labor market areas are transversed by state lines. Secondly, in a very real sense, the vast complex of local labor market areas in this country actually constitutes one national labor market.

The war has taught us many lessons about national unity. Just as we did not attempt to oppose the enemies of democracy with forty-eight state armies under forty-eight state commands, neither did we solve the knotty problems of war production by separate state programs. We learned during the war that our labor force is highly mobile and people will go where jobs exist rather than stay in depressed areas and accept relief. As our resources both material and human were mobilized during the threats of war and mobilized against our nation, we must mobilize nationally to meet the threat of unemployment and want.

A well operated employment service will continually measure trends and evaluate new developments affecting the national labor market in order to advise educational and vocational training agencies with respect to projected changes in employment opportunities. Such a service is vitally necessary to avoid unemployment resulting from technological changes and it can only be carried on on a national basis as these changes are nation-wide in character and effect.

4—The Personnel Needs of Employment Offices. The operation of public employment offices requires a high type of well trained personnel. The service should offer opportunity to persons willing to make a career of this type of public service. Administration by states with widely varying salary scales, personnel policies and with attachment to the various state civil service laws is not conducive to the development of this type of public servant.

5—Industry, Labor and Agriculture Organized on National Basis. Business enterprise, labor, farm organizations have developed on a national basis. Business employs workers. Labor organizations serve these workers in various capacities residing in their jobs. Farm organizations include in their many services to farm operators assistance in securing farm help, especially for the crucial seasonal needs. If these great service organizations are to work in partnership with public employment offices in the placement of job seekers, the public employment offices must likewise be administered without regard to state lines.

The employer too will be greatly aided by elimination of the complex multiplicity of diverse procedures and practices if he has available the services of a national system of employment offices all using the same reporting methods and the same recruitment and referral procedures.

Those who oppose the continuation of a national system of public employment offices argue that it would foster the development of a bureaucracy centralized in Washington. This does not square with our experience. We submit that the employment service operated on a national basis by the Railroad Retirement Board has shown no tendency toward bureaucracy. They have the state employment services in the past. A unified national employment service administered under a clear definition of functions and responsibilities determined by the Congress and with the constant guidance of policy committees made up of representatives of labor, management and agriculture at both the national and local levels would in our opinion be far more responsive to the needs of employers and employees than a hodge-podge of fifty-one varieties of scattered and uncoordinated agencies administered by the separate states and territories.

AFL WOMEN PLEDGE AID TO RED CROSS

Washington, D. C.—All-out support of the two and a half million members of the AFL Women's Auxiliaries in the American Red Cross was pledged by Mrs. Herman Lowe, president, at the meeting of the organization's Executive Committee here.

The committee passed a resolution urging "the officials and members of the American Federation of Women's Auxiliaries of Labor to continue their active support of the American Red Cross and contribute to every campaign for this great humane organization."

"One of our members in St. Louis has given a pint of blood for more than 35 times," said Mrs. Lowe. "Many of our members are active as nurse's aides and volunteer workers, and are enrolled in Red Cross courses in Nutrition, Home Nursing and First Aid."

ADOLPH HELD TO DIRECT ILGWU WELFARE PROGRAM

New York City.—Appointment of Adolph Held as director of the newly formed department of Welfare and Health Benefits of the International Ladies' Garment Workers' Union, was announced by David Dubinsky, the union's president. Mr. Held recently resigned the presidency of the Amalgamated Bank of New York which he held for 21 years.

With the extension of vacation-with-pay benefits, retirement pensions, and free medical care to all the 300,000 members of the ILGWU, Mr. Dubinsky said, a coordinating department to handle the millions of dollars which go into these welfare funds of the union has become a necessity. "We could not think of a person better equipped for the job than Mr. Held," he added. In the union's behalf as executive director of the new department.

WORKERS IDEAS SAVE NAVY HUGE AMOUNT

Washington, D. C.—New ideas submitted by civilian workers in navy yards who have established jobs including simplified shell fuses, a new sailor suit and a new type of lightweight rake for airfields—will save the navy an estimated $1,300,000 a year. This was announced by the Navy Board of Awards to Civil Employes, the agency in Washington which selects the best of the many suggestions forwarded by local boards.

Said Admiral F. G. Crisp, board member who is chief of the Shore Establishments and Civilian Personnel:

"These men have made very valuable contributions to the war effort. It is just further proof of the innate patriotism and alertness of our civilian workers. They use their heads while working with their hands."

UNION GETS BIG GAINS FOR SEDALIA POLICE

Sedalia, Mo.—The American Federation of State, County and Municipal Employes, Local 122, negotiated an agreement for local policemen providing for a maximum 48 hour per week from 7 to 6 days and of the work-day from 12 to 8 hours, together with a one week vacation which the men never received before. They were also granted a $80 per month salary increase.

The policemen are 100 percent organized and AFL Organizer J. H. Shipley acted as consultant. A committee appointed by the mayor to negotiate a working agreement with the union. A resolution was adopted recognizing the union as bargaining agent for the Sedalia police. The mayor also appointed a committee to formulate the working agreement which was adopted for the job than Mr. Held," he added. In the union's behalf as executive director of the new department.

WLB Studies Postwar Wage Plans And May Modify Little Steel Formula

Washington, D. C.—The National War Labor Board now has under consideration a new national wage policy designed to meet reconversion and postwar emergencies.

Four types of action are being weighed by the board. They are:

1—Legislation by Congress to raise the statutory minimum wage from 40 cents an hour to 50 or 55 cents. This would simplify the NWLB's efforts to raise substandard pay rates.

2—Development of a new formula to supplement the Little Steel formula to grant wage increases in cases where straight time average hourly earnings may fall as a result of reconversion developments. Many wartime types of indirect wage increases designed to retain manpower and increase production are expected to fall by the wayside during reconversion with a consequent loss in "take home" earnings. Many workers stand to be downgraded to lower-paying jobs. Millions will lose overtime pay. An industry-by-industry approach may be used.

3—Revision of the so-called wage bracket system to take account of industry wage factors. The bracket system imposes area-wide ceilings on most wages, banning increases above the minimum basic rate of "sound and tested going rates" in each community. With reconversion restoring competition between areas, the board plans to permit some adjustment in wages in accordance with industry-wide factors.

4—Development of a plan to strip away unnecessary controls. General regulations of the board may be changed to grant employers greater flexibility in making individual wage adjustments, looking toward eventual removal of all controls on wage adjustments which do not involve compensating price increases. Here, the main consideration is not to get ahead of the manpower situation and permit employers to bid up the labor market while manpower remains scarce.

Board consideration of these four phases of wage policy is expected to take several weeks. Conclusions will be transmitted to Economic Stabilization Director William H. Davis for study preliminary to submission to the White House. Some of the changes under consideration would be made by mere administrative action. Others would require changes in outstanding executive orders, while the attack on substandard wages would require legislation.

Organized labor's demand that 48 hours' pay be provided for 40 hours' work after hostilities are reduced will be debated by the board.

Watch For New AFL Radio Program "American Federationist of the Air"

Washington, D. C.—At last labor will have its own news program on the air!

Beginning July 7, and continuing each Saturday at 6:45 P.M., EWT, for the rest of the year, the American Federation of Labor will present over the Blue Network of the American Broadcasting Company "The American Federationist of the Air," a weekly news-magazine. The program will be listed in AFL radio columns as "Labor-USA."

Each program will feature special reports by AFL staff experts on matters of outstanding interest to labor, as well as covering news highlights. In addition, the AFL plans to present a "guest column" by a high-ranking personality in the industry of the week. The programs will be conducted by Phil Pearl, commentator for the AFL.

If you are interested in the news of labor and its views on all important national and international questions, make certain to listen to these programs—regularly!

Broader Child Health And Education Programs Urged On Truman By Perkins

Washington, D. C.—A comprehensive plan for immediate expansion of child welfare, education, and other protective services offered to children by Secretary of Labor Frances Perkins.

The proposals, embodied in a report titled "Building the Future for Children and Youth" represent the result of the conference of the Federal Committee on Children in Wartime. Members of the committee are the authorities in the professional fields concerned with child welfare, including representatives of national organizations which work directly with and for children, and representatives of government and labor.

"Our greatest chance for a lasting peace lies not with us but with our children," Secretary Perkins said. "If they are to have a fair chance to mold that peace into something worthwhile and rewarding every one of our boys and girls must be helped, through their own growing pains, to take their places, to face that future with confidence.

"That help must come in very practical forms: Adequate medical care and health services; family insurance against the hazards of sickness and disablement, disability, old age, and death; the best kind of educational opportunities.

"We cannot and must not let another generation of youngsters grow to adulthood and find again that four out of every 10 of our men have physical and mental handicaps, as Selective Service found among the men drafted for service in this war."

Federal funds for grants to state health departments for maternal and child welfare, now amounting to less than $6,000,000 a year, should be raised by $50,000,000, the National Commission urged. Similarly, federal support of child welfare and health agencies, which now is less than $4,000,000 a year, should be increased by $20,000,000. Also to be available state-wide coverage of child-welfare services within 10 years, a major increase in annual appropriations to state welfare departments is called for.

Because of the benefits that would accrue to children in terms of more adequate nutrition, the committee recommended lib-raising: Benefits for dependent children, and the conditions under which aid to them should be made available; federal sharing of the cost of general assistance; and insurance programs under the Social Security Act.

Declaring that it is essential to move forward as rapidly as possible to attain full educational opportunity for all children and youth, the commission urged federal support for education, based on the need for education, through public schools throughout the country, and administered without discrimination as to race, color, creed, or national origin.

Further protection of young workers requires broadening the coverage of the child-labor provisions of the Fair Labor Standards Act and further strengthening the enforcement of these provisions.

Among the next steps to be taken to improve the health and welfare of children and youth are three tasks which are the responsibility of states and communities, the National Commission pointed out. Abuses of child labor during the war point up the need for state laws that set the age of 16 as the minimum for all employment during school hours and for work at any time in manufacturing and mechanical establishments.

House Group Supports AFL On Keeping Prices Down

The War Against Inflation

Washington, D. C.—In a powerful plea for retention and extension of price control, AFL President William Green warned the House Banking and Currency Committee of the multiple disasters that will follow inflation. Excerpts from his testimony follow:

"Our anti-inflation program has not been perfect. It has not been without hardship to some. But for the vast majority of the people it has brought an incalculable wartime benefit by safeguarding their income and protecting them from fear against insecurity and distress a runaway inflation would have brought.

"Before the war is won at the front, we as a nation have begun to fight for the prosperity for the plenty of the future peace at home. We have already embarked upon a course of partial demobilization and reconversion of war production. With statesmanlike cooperation among business, labor, farmers and the government we can make this reconversion period rise civilian production and civilian employment in our peacetime pursuits while the war in the Pacific still rages. This course we should firmly pursue, not only for the sake of future benefits to ourselves, but also to realize our fighters' implicit faith that the people at home will not let them come back to idleness, insecurity, and economic distress, that their Congress and their people will not let them down.

"In this fight against postwar unemployment, our defense against inflation will be decisive. What is the responsibility which our nation holds today toward the people it represents in averting a runaway inflation,

"It is the responsibility toward 55 million Americans who are owners of war bonds—owners by women who have placed their wartime savings in the trust of the United States. It is the responsibility toward 3,500,000 families of servicemen who are receiving allotment pay as the essential provision for their families' support while the issues have already taken place. Only within the last few weeks inflation in liberated Greece depreciated the worth of moneys only about one-sixth of what it had been. The prospect of people's savings becoming worthless, of the income earned through productive effort being reduced to a fraction of its buying power, is intolerable and unacceptable to our people.

"Today a small minority is pleading and working vigorously for what they variously term as 'limited inflation,' 'managed inflation,' or 'controlled inflation.' They argue that a little inflation is not a dangerous thing. They maintain that a limited rise in the price level, a rise of, say, ten percent, would stimulate enterprise, production and employment. The fact is that a ten percent rise in prices is a ten percent cut in wages. A ten percent rise in prices is a ten percent cut in productive income—not only of wage-earners, but also of farmers as well as all other producers of goods and services. It is a ten percent cut in income of the great bulk of their families. And ten percent rise in prices is one from which everyone would lose in the end.

"But most important is the fact that a 'limited inflation' proposal of the ten percent variety is in itself a deception. Once prices are allowed to go up ten percent and stop them there. Such a price rise would have inevitable consequences. It would set off other price rises and further increases. These forces are cumulative. They are beyond any man's power to hold once they are permitted to get underway. We have only two alternatives. One is to keep prices down at the level which they have been stabilized during the war. The other is to let inflation run its course. There is no middle ground; there is no other choice."

Compulsory Military Training Law Opposed By AFL At Public Hearing

Washington, D. C.—Testifying before the House Committee on Military Policy, Lewis G. Hines, AFL legislative representative, revealed that the AFL executive council has taken a firm stand against compulsory military training.

He said the Executive Council had stated its views in the following resolution:

"We are opposed to compulsory military training service and in no event should the matter be considered until after demobilization of the armed forces.

"In the meantime, this federation advocates a comprehensive program of improved education and health service for the youth of the nation."

Elaborating upon the AFL's policy on this important issue, Hines continued:

"The Executive Council of the American Federation of Labor has repeatedly had in mind the records of Selective Service which indicate that out of the registration of 17 million men who registered for the draft in the present war, approximately 5 million have been rejected for military service and many of these physical defects were of a preventable nature. We believe that for state laws that set the age of 16 as the minimum for all employment during school hours and for work at any time in manufacturing and mechanical establishments.

"Another argument advanced in favor of a compulsory military training service law is that it would provide discipline needed for character development. If we are to have a disciplined citizenry, conscious of their obligations under a democracy, as well as their obligations to their fellow citizens in all cooperative undertakings, the greatest task to our character forming agencies, the family, the school, the church, and community institutions is not to compulsory military training service.

"Other proponents of compulsory military training have frankly indicated this type of legislation on the grounds that we need to be prepared for the next war. We are not prepared. At the present time all of our thoughts have been directed to an endeavor to formulate a program that will provide for a lasting peace. This is evidenced by the fact that the leading nations of the world, including our own, are participating in a conference at San Francisco at the present time for such a purpose. Some of the advocates of this proposed legislation, who have represented the views of our military and State Department, have testified in terms of preparedness. May we not in all fairness ask, prepared-ness for what? If we are on the brink of another war should we not have the right to demand to know with whom, when, and where?

"We have always held in this country that standing armies and stockpiles of war materials facilitated their use. We have always believed that this is a historical fact as borne out by the tragedies embroiling the European nations who have adhered to this philosophy. We join with many others in urging the development of effective international machinery to deal with issues and situations in advance of the emergency in the event development that necessitates war."

In fairness to the millions of men now serving in the armed forces, action on future compulsory training bills should be deferred until they come home and can voice their opinions, Mr. Hiner concluded.

Also heard by the committee was International Association of Machinists, also expressed opposition to the proposal before the House Committee. He said military conscription in European countries had proven no deterrent to war.

"It is my considered opinion," he asserted, "that one of the major causes of war can be traced to mass unemployment.

"We have only to study the history of this war to realize the truth of this statement. If there had not been mass unemployment and starvation in Germany, Hitler could never have been successful in attaining the position of leadership and power that resulted in the program of aggression against other nations with the final end that Germany went down in defeat."

Committee Report Backs Up Green's Plea For Tight Inflation Control

Washington, D. C.—The House Committee on Banking and Currency voted overwhelmingly for a year's extension of the Price Control Act without crippling amendments after AFL President William Green had urged the committee to follow that course.

The three most threatening amendments, denounced by Mr. Green, were knocked out by the committee's action. These were:

1—The Wherry amendment, adopted by the Senate, which would guarantee producers a profit on everything by a dangerous "cost-plus" formula.

2—A scheme to limit OPA extension to only six months, which, Mr. Green charged, would induce manufacturers to hold their products off the market and wait for higher prices, thus aggravating present shortages of civilian goods.

3—A demand to boost all rents by 20 percent throughout the country.

The committee's report now goes to the House for action. Even if the House follows the committee's recommendations, a battle against the inflationist bloc in the Senate still must be faced. However, organized labor is getting its forces for the fight to keep price control intact.

In his testimony before the Banking and Currency Committee, Mr. Green emphasized labor's vital stake in the maintenance of effective price control.

He warned that even so-called "limited inflation"—hiring about a 10 percent increase in prices—would mean a ten percent pay cut for workers, farmers and other producers.

"Everyone will lose in the end," Mr. Green predicted. He added:

"Another threat to price control is of special concern to wage earners. It comes in jeopardy the present price control program. Proposals are urged to permit substantial increases in rent ceilings. Wage earner families who are already experiencing a sharp curtailment in their income, due to widespread elimination of overtime, are facing immediate difficulties in paying rents on their homes even under the present ceilings. A further general increase in rents would force a great many workers' families to give up the homes in which they now live. Concessions has already been added to the flexibility of rent ceilings to assure that all cases in which landlords are faced with real hardship would be equitably met. No valid ground exists today for further amendments of the rent control requirements of the act.

"Of crucial concern to labor is the pressure to curtail extension of the Price Control Act for a period of six months. Such an action would gravely endanger the prospects of reconversion and reemployment for reasons that must be clear to everyone. If Congress announced that price control would terminate in six months every civilian manufacturer ready to produce for the open market prior to that time would hold off his production until after the ceiling would be partially lifted. A business firm is in business for profit. It would have no reason to rush its products to the market to sell at prices limited by price ceilings when it knows that prices far beyond the present ceiling could be permitted within a few months.

"At the same time, when scarcities still exist, if all consumers were served notice by Congress that prices would rapidly go up on a given date, it would only be natural for consumers to spend every available dollar to stock up on goods that could get while prices are still in effect. Under those conditions a stampede which would fill the shelves in the retail stores throughout the country would be inevitable. I cannot conceive of a more disastrous action than to limit the extension of price control to such a short period of time."

In conclusion, Mr. Green said:

"Labor's support of the OPA price control and rationing program has not been uncritical. As everyone else, labor organizations have encountered many instances of irritation which called for correction. It is fair to say that the slow moving wheels of Price Administrator Bowles, mistakes we brought to the attention of the agency in our belief that price control administration, which is one of the most difficult and complex governmental functions, has been run fairly, democratically, and efficiently under the able management of Chester Bowles."

BROWN RE-ELECTED PRESIDENT OF I.A.M.

Washington, D. C.—President Harvey W. Brown and other members of the "official family" of the International Association of Machinists have been elected overwhelmingly "vote of confidence" in the shape of another four-year term, beginning July 1. Their reelection was revealed with the official announcement of results of a general membership referendum.

Brown was returned to office unopposed, as was Secretary-Treasurer Eric Peterson. All seven incumbent vice presidents were also reelected by landslide majorities. They are: S. S. Lyons (for Canada), S. L. Newman, Harry J. Carr, A. J. Hayes, Harley F. Anderson, Roy N. Brown and Earl Melton.

THE AFL PRESENTS . . .

'BUILDERS OF VICTORY'

The Dramatic Story of Labor's Own Seabees

OVER CBS—EVERY SATURDAY—3:45 P.M., E.W.T.